



February 2, 2017

TO: Honorable LOCSD Board of Directors
FROM: Renee Osborne, General Manager
SUBJECT: **Agenda Item 9D – 2/2/2017 Board Meeting**
General Manager Activity for January 2017

President
Jon-Erik G. Storm

Vice President
Vicki L. Milledge

Directors
Charles L. Cesena
Marshall E. Ochylski
Louis G. Tornatzky

General Manager
Renee Osborne

District Accountant
Robert Stilts, CPA

Unit Chief
Scott M. Jalbert

Battalion Chief
Josh Taylor

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STAFF

- Water, Fire and Admin staff have been patiently transitioning over to the new payroll service. There were some glitches, but we think we have them all worked out.
- We have not heard a response yet from Cal Poly regarding the intern for the Facebook page. In the meantime, I have been keeping the page alive with District news per some community requests. We would like to complete this task before we start joining other social media sites.

BOOKKEEPER

- Ann and I have been working with both Bookkeepers Warmerdam and Stilts to assist with the transition.
- We have gone to a 30 day pay out system in order to allow for board and public review of expenditures prior to paying. The "I Bank" bill and the transfer of funds to pay for payroll cannot fall under this procedure but are listed at the top of the Warrant Report. The Warrant Report has been prepared by Robert Stilts, CPA under 11C for Board approval.
- District Counsel has reviewed the Bookkeeper's contract and it has been approved. Contract is attached to the General Manager's report.

WATER

- We have had some issues with the pumps on 8th Street and El Morro since November. FRM has assisted us in fixing the backup diesel pump's electrical system, valves and some other maintenance. The pump is in need of repair. A new pump of the same quality will cost about \$50,000. After speaking with Mike Ellison from FRM, who repaired the pump, he feels that the pump and motor work great, and the electrical was just fixed. The items that still need to be replaced are the Auto Prime System, the Vacuum Prime and the Suction Piping. He is looking into parts and labor and feels he can refurbish the pump for much cheaper than a new one. But for now, the 8th Street pump should hold up. We will bring a quote to the Board for the March Meeting for approval.

FIRE

- Wallace Group prepared the RFP for the sewer lateral for the Fire Department's building. They reached out to three contractors, Power Plumbing, John Madonna Construction (JMC), and Mike Burton Trucking. We only received one bid from JMC for \$9500. Upon consent agenda approval of Agenda Item 11H, JMC will start on the work immediately.
- I have met with Fire to discuss the purchase of the truck, vouchers and payroll issues.

AUDITORS AND ASSETS LIST

- I have been working with the Auditors to fix some issues with Wastewater Assessment totals, balances and transfers. There were no major issues. Attached under Agenda Item 7A is the Draft Audit for the Fiscal Year 2015-2016 for Board review and comment. Adam Guise from Moss and Levy will be available for questions. Also included in the Audit is the final "Assets List" for review.

PARKS & REC

- President Storm and I met with Nick Franco and Shawn Cooper with County Public Parks to discuss the possibility of the District using a portion of the County Park designated areas for the proposed Dog Park for Los Osos CSD residents. The County has agreed to start negotiations on a lease agreement on the proposed section (the undeveloped Tennis Courts) of the Los Osos Community Park Plan. Leasing terms should be free to the District. The District will be responsible for finding a group willing to adopt the park to take care of maintenance. If the Board approves item 11I on the consent agenda, the General Manager will proceed to solicit engineering, environmental and permitting plans with potential costs, along with preparation of an RFP for the Adoption of a Dog Park Maintenance Agreement.
 - Attached is the Dog Park Analysis prepared by Rob Miller. He has graciously taken on the Dog Park analysis "pro-bono". We are very thankful for his volunteer service and dedication to the community of Los Osos.

Attachments

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made and entered into this 15th day of January, 2017, by and between the LOS OSOS COMMUNITY SERVICES DISTRICT, a political subdivision of the State of California, formed and operating in accordance with California Government Code Section 61000 et seq., hereinafter referred to as "District" and ROBERT STILTS, CPA, hereinafter referred to as "Consultant".

RECITALS

WHEREAS, District desires to obtain services from Consultant as specified in Section 1; and

WHEREAS, Consultant is duly licensed, qualified and equipped to perform said services for the benefit of District; and

WHEREAS, the performance of such services by Consultant has been determined by District to be in the public interest.

NOW, THEREFORE, District and Consultant agree as follows:

1. **Scope of Work.** District engages the services of Consultant as an independent contractor to perform the work and render the services described in Consultant's Proposal to District received December 30, 2016 attached hereto as Exhibit A (hereinafter referred to as the "Work"), which is incorporated herein by this reference. The Work is generally described as follows: serve as contract accountant and bookkeeper.

Consultant shall (a) provide all labor, equipment, material, supplies, advice, consultation, analysis, administration, and preparation of policies, procedures and documents required or necessary to properly, competently and completely perform the Work; (b) determine the method, details and means of doing the Work; and (3) perform the Work in a manner commensurate with the highest professional standards of qualified and experienced personnel in Consultant's field.

2. **Payment.** In exchange for the Work, District shall pay to Consultant \$3,600.00 per month for the provided scope as defined in Exhibit A. For additional and out of scope work, as requested by District, District will pay the hourly rates as defined in page 5 of Exhibit A. District will pay, upon invoice, within thirty (30) days.

3. **Term.**

A. This Agreement shall take effect on the above date and shall continue in effect until completion of the Work to the satisfaction of District unless sooner terminated as provided below.

B. This Agreement may be terminated by either party, at will, upon thirty days written notice.

C. In the event of such termination, District shall pay to Consultant as full payment for all services performed and all expenses incurred under this Agreement, in an amount which bears the same ratio to the total fee otherwise payable under this Agreement as the services



actually rendered hereunder by Consultant bear to the total services necessary for the full performance of the Work.

4. **Ownership of Documents.** Every document prepared by Consultant under this Agreement shall be the exclusive property of District. By this Agreement, Consultant transfers all of its right, title and interest in such documents to District. To the extent any document prepared under this Agreement constitutes a copyrightable work, the Work under this Agreement shall be considered a work for hire and by this Agreement Consultant shall be deemed to transfer all rights, title and interest in the copyrightable work to District, including the exclusive copyright. Documents prepared by Consultant under this Agreement shall not be provided by Consultant to any other person without District's prior written approval.

5. **Compliance with Laws.** Consultant shall perform the Work in compliance with all applicable federal, state and local laws and regulations regarding safety of persons and property and their protection from damage, injury or loss, including applicable Cal-OSHA regulations. Consultant also shall possess and maintain all permits, licenses and certificates that may be required for it to perform the Work. Consultant shall comply with all laws and regulations as required by local, state and federal agencies regarding nondiscrimination including, but not limited to, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination Employment Act of 1967, and the California Fair Employment and Housing Act. The Consultant is aware of the District's anti-harassment policy and agrees to abide by the policy, practices and procedures set forth and established by the District.

6. **Indemnification.** Consultant agrees to defend, indemnify and hold District, its elected officials, officers and employees harmless from any and all claims, damages, losses or liabilities to the extent caused by the negligent acts, errors, or omissions of Consultant in the performance of services under this Agreement. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist to the parties to this Agreement.

7. **Insurance.**

A. Types and Limits. Consultant, at its sole cost and expense, shall procure and maintain for the duration of this agreement the following types and limits of insurance:

<u>Type</u>	<u>Limits</u>	<u>Scope</u>
Commercial Public Liability and Property Damage	\$1,000,000 per occurrence	at least as broad as ISO CG 0001
Automobile Liability	\$1,000,000 per accident	at least as broad as ISO CA 0001, code 1 (any auto)
Workers' Compensation Employers' Liability	as required by State Law	

B. Other Requirements. The public liability, property damage and automobile liability insurance furnished by Consultant shall name District as an additional insured and shall directly protect, as well as provide the defense for District, its officers, agents and employees as well as Consultant, and its agents, and employees, if any, from all suits, actions, damages, losses or claims of every type and description to which they may be subjected by reason of or resulting from Consultant's operations in the performance of the Work pursuant to this Agreement, and all insurance policies shall so state. Said insurance shall also specifically cover the contractual liability of Consultant. Said insurance shall also specify that it acts as primary insurance and District's insurance shall not contribute with Consultant's

insurance. If Consultant fails to maintain such insurance, District may declare a default in the performance of this Agreement and exercise the remedies specified in Section 5 of this Agreement.

C. Consultant shall be permissibly self insured or shall carry full workers' compensation coverage for all persons employed, either directly or through subcontractors, in carrying out the Work contemplated by this Agreement and in accordance with the Workers' Compensation Act contained in the Labor Code of the State of California. If Consultant fails to maintain such insurance, District may declare a default in the performance of this Agreement and exercise the remedies specified in Section 5 of this Agreement.

D. Consultant agrees to furnish a certificate or certificates substantiating the fact that it has taken out the insurance set forth above for the period covered by the Agreement and all endorsements substantiating coverage of District and its agents and employees as additional insureds. All insurance is to be placed with insurers with a current A.M. Best rating A:VII or better unless otherwise accepted in writing by District.

Each such certificate shall bear an endorsement precluding the cancellation or reduction in coverage of any policy covered by such certificate before the expiration of thirty (30) days after District shall receive notification of such cancellation or reduction.

8. **Independent Contractor.** The parties hereto agree that at all times during the term of this Agreement Consultant, Consultant's employees and agents hired to perform services pursuant to this Agreement are independent contractors and are not agents or employees of District. Consultant shall have control over the means, methods, techniques, sequences, and procedures for performing and coordinating the Work required by this Agreement. District shall have the right to control Consultant only insofar as the result of Consultant's services rendered pursuant to this Agreement. If, in the performance of this Agreement, any third parties are employed or contracted by Consultant, such employees or subcontractors shall be entirely and exclusively under the direction, supervision and control of Consultant. All terms of employment, including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or contract shall be determined by Consultant, and District shall have no right or authority over such persons or the terms of their employment or contract.

Therefore, neither Consultant or any third persons employed by or contracted by Consultant to perform services pursuant to this Agreement shall be entitled to workers' compensation benefits from District should Consultant or any of its employees or contractors sustain an injury in the course of performing services specified in this Agreement. Furthermore, neither Consultant nor any third persons or contractors employed by Consultant shall be entitled to any other benefits payable to employees of District. Consultant hereby agrees to defend and hold District harmless from any and all claims that may be made against District based on any contention by any third party that an employer/employee relationship exists or that a contractual relationship exists between District and that third party by reason of this Agreement.

Consultant represents that it, and its employees and contractors, if applicable, are properly licensed and will remain so during the progress of the Work contemplated by this Agreement.

9. **Entire Agreement.** This writing and the documents incorporated herein by reference represent the sole, entire, exclusive and integrated contract between the parties concerning the Work, and supersedes all prior oral and/or written negotiations, representations or contracts. Each party to this Agreement acknowledges that no representations or promises have been made by any party hereto which are not embodied herein, and that no other agreement or promise not contained in this Agreement or in the incorporated documents shall be valid or binding. This Agreement may be amended only by a subsequent written contract approved and executed by both parties.



10. **Successors and Assignment.** This Agreement shall bind and inure to the benefit of the heirs, successors and assigns of the parties; however, Consultant shall not subcontract, assign or transfer this Agreement or any part of it without the prior written consent of District.

11. **No Waiver of Rights.** Any waiver at any time by either party of its rights as to a breach or default of this Agreement shall not be deemed to be a waiver as to any other breach or default. No payment by District to Consultant shall be considered or construed to be an approval or acceptance of any Work or a waiver of any breach or default.

12. **Severability.** If any part of this Agreement is held to be void, invalid or unenforceable, then the remaining parts will nevertheless continue in full force and effect.

13. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of California.

14. **Notice.** Any notice, invoice or other communication that is required or permitted to be given under this Agreement shall be in writing and either served personally or sent by prepaid, first class U.S. mail addressed as follows:

District: Los Osos Community Services District
2122 9th Street, Suite 102
Los Osos, CA 93402
Attention: _____

Consultant: Robert Stilts, CPA
1398 Los Valley Road, Suite E
Los Osos, CA 93402

Any party may change its address by notifying the other party of the change in the manner provided above.

16. **Attorneys Fees.** In the event of litigation between the parties, or if a party becomes involved in a litigation because of wrongful acts of the other party, the prevailing or innocent party shall be entitled to an award of reasonable attorneys fees from the other party. The prevailing party will be entitled to an award of attorneys fees in an amount sufficient to compensate the prevailing for all attorneys fees incurred in good faith.

LOS OSOS COMMUNITY SERVICES DISTRICT

By: Janee Osborne
Janee Osborne
Name
General Manager
Title

CONSULTANT

By: RS

ROBERT STULTS
Name

OWNER
Title

RS

Los Osos Community Services District
Comparison of Alternative Sites for Community Dog Park
revised January 24, 2017

Description or Selection Factor	Site A: Existing Community Park	Site B: Vista De Oro Leach Field	Site C: Sunnyside School	Site D: Vicinity of Los Osos Library
APN	074-042-001	074-229-027	074-331-001	074-229-008
Available area	1.2 acres	0.7 acre	> 1 acre	Minimal area available
Ownership	SLO County	LOCSD	SL Coastal Unified School District	SLO County
Estimated land cost	Minimal, no cost lease available	None	Unknown	Unknown
Land acquisition viability	High, based on initial discussions	LOCSD-owned	Low	Low
Environmental constraints	Sensitive habitat will require studies and permits	Sensitive habitat will require studies and permits	Low if existing field used	Unknown, minimal area available
Availability of recycled water	High, extend from existing park connection	Moderate, requires <300' extension, approx. \$40k cost	High, extend from existing school connection	Moderate, requires <100' extension, approx. \$20k cost
Availability of existing parking	High	Low	High	Moderate to High
Feasibility of turf installation	High	High	Turf exists	Low
Neighbor proximity issues	Current park operation	New impact with potential issues	Existing school, but would be new recreational use	Existing library, but would be new recreational use
Proximity to existing public rest rooms	High	Low	Medium to high	Medium to high